

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No EDCV 11-582ABC (DTBx)

Date June 14, 2011

Title Volvo Commercial Finance v. Christopher Cole, et al.

Present: The Honorable Audrey B. Collins

Angela Bridges

None Present

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

None Present

None Present

**Proceedings:** ORDER TO SHOW CAUSE re Subject-Matter Jurisdiction (In Chambers)

Plaintiff Volvo Commercial Finance, a division of VFS US, LLC, filed this case in federal court on April 12, 2011, based on diversity jurisdiction. Plaintiff alleges that it is an "affiliate of VFS US, LLC," which is a Delaware limited liability company doing business in California, whereas Defendants Christopher and Janice Cole are residents of California. This is insufficient to allege diversity jurisdiction.

Diversity jurisdiction requires "complete diversity," that is, no plaintiff can share the citizenship of any defendant. Lincoln Prop. Co. v. Roche, 546 U.S. 81, 89 (2005). Limited liability companies for diversity purposes are considered citizens of "every state of which its owners/members are citizens." Johnson v. Columbia Properties Anchorage, LP, 437 F.3d 894, 899 (9th Cir. 2006). Furthermore, if an owner or member of an LLC is itself an LLC or LLP, the citizenship of all the sub-partners or sub-members of those entities must be considered for diversity jurisdiction purposes, and so forth. See V & M Star, LP v. Centimark Corp., 596 F.3d 354, 356-57 (6th Cir. 2010). If any sub-member is a corporation, it is considered a citizen of the state of incorporation and its principal place of business, which is its "nerve center." See Hertz Corp. v. Friend, \_\_ U.S. \_\_, \_\_, 130 S. Ct. 1181, 1192 (2010).

Plaintiff is apparently an LLC, but has not alleged the state of citizenship of any of its members or sub-members, so the Court cannot at this time determine whether the parties are completely diverse. Plaintiff is ORDERED TO SHOW CAUSE **no later than Monday, June 20, 2011**, why this case should not be dismissed for lack of subject-matter jurisdiction. Defendants may reply to Plaintiff's response **no later than Monday, June 27, 2011**. Plaintiff's failure to timely respond to the Court's Order will result in dismissal of this case without further notification to the parties.

**IT IS SO ORDERED.**

Initials of Preparer AB